

Arkansas Insurance Department

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Governor



Julie Benafield Bowman
Commissioner

NEWS RELEASE

FOR IMMEDIATE RELEASE

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Former Insurance Agent Sentenced in Theft Case

LITTLE ROCK, ARKANSAS (August 20, 2007) —State Insurance Commissioner Julie Benafield Bowman announced today former insurance agent John Phillip Middleton, a Van Buren resident with an office in Fort Smith, has been sentenced by Judge James Cox, Sebastian County Circuit Court, to twenty years in the Arkansas Department of Corrections with ten years suspended. Middleton whose agent license was revoked by the Arkansas Insurance Department in 2006, pleaded guilty to five counts of Theft of Property (class B Felony) and was ordered to pay over \$138,000 in restitution to a woman from whom he took money for investment in his personal business ventures.

Middleton developed a friendship with his victim who was in her mid-seventies when he sold her the first of six annuities. Visiting her in her home and in the hospital, he convinced her to write checks to him for various investments. In February of 2003, Middleton sold the victim an annuity policy which was cash surrendered in January of 2004. A check for \$207,717.54 was issued to the woman, however the back of the check read "Pay to JPM Investments" and included Phillip Middleton's signature of endorsement. According to the victim, the money was to have been invested.

"The Arkansas Insurance Department tried to work with Mr. Middleton in order to ensure prompt restitution to the victim for the various annuities or insurance products he sold," said Commissioner Bowman. "He failed to act responsibly and has suffered the consequences."

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Middleton's license was suspended at an emergency hearing before the Commissioner on May 1, 2006. His license was revoked on November 2, 2006, following a consent revocation order to which he was a party. Middleton stated in that order he understood that if he failed to abide by its terms, the Arkansas Insurance Department would enforce the order in Circuit Court. Following a thorough investigation, the Department's attorneys assisted Prosecutor Gunner Delay in the prosecution of this case.

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